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STATE FUND MONTANA

MONTANA GUARDIAN

"Serving Montana Employers and Employees"

OCTOBER 1991 Volume 02 Number 02

CONSTRUCTION INDUSTRY NEW PROGRAM

The State Fund will offer a construction industry premium credit on July 1, 1992 as required by recent legislation (HB 187). HB 187 requires insurance carriers to adopt a method of calculating premium paid by the construction industry which does not impose a higher insurance premium solely because an employer pays a higher wage. The State Fund has established eligibility requirements and is currently surveying policyholders who might qualify for the construction premium credit program.

To qualify, a policyholder must meet various conditions and be approved by the State Fund. The policyholder must have more than 50% of their manual premium in the third calendar quarter of 1991 (July 1, 1991 to September 30, 1991) in one or more of 65 construction class codes. Their State Fund policy must be currently active and they must have had coverage with the State Fund or another carrier on or before August 1, 1991. The employer must have paid an average hourly wage of $8.40 or more in the class codes during the survey period of July 1st through September 30th. The employer must allow the State Fund access to records to verify the information and must submit a completed application form to the State Fund by no later than November 1, 1991. Employers who meet these requirements will be granted a percentage credit on their premium.

The State Fund will annually survey policyholders to see if they still qualify for the construction premium credit program. More information on this program is available from Policy Services.

Obviously, this action which decrease overall premium collected from the construction industry has no effect on liabilities caused by accidents and injuries within the industry. In order to continue to cover such liabilities, premium rates for this industry will need to be increased. Increasing the cost of insurance for employers who were previously paying less premium because of lower wages paid.

POLICY AMENDMENTS ISSUED

The Legislature recently made several changes to the Workers' Compensation Act which require changes to the State Fund workers' compensation insurance policy.

In order to acknowledge changes to policies held by active policyholders, the State Fund issues a "policy amendment." The Policy Services Division recently issued nearly 27,000 policy amendments which were sent to all active State Fund policyholders. The policy amendment is also used to clarify language in the policy.

A new policy jacket containing the same changes as the amendment has been prepared and will be issued for all new policies.

The significant changes to the policy are:

1) Spouses employed by sole proprietors or partners are employees, not dependents.
2) Coverage is now available for volunteer firefighters in rural or unincorporated areas if the governing body elects such coverage.
3) Additional factors may be considered for variable pricing levels.
4) Our audit period is limited to three (3) years prior to the date of audit notification letter.
5) Additional premium for uninsured subcontractors will be calculated on the entire contract price unless written records detail labor versus other costs.

UNDERWRITING MANUAL UPDATE

The State Fund Underwriting Manual has been updated as of July 1, 1991. The updates include the July 1, 1991 rates and miscellaneous values as well as revisions to the classifications section and numeric section. If you have a manual, be sure to update it!

Message from the President . . . .

PATRICK J. SWEENEY

NEW TECHNOLOGY

The State Fund is in the process of adding new technology which should increase the effectiveness and efficiency of a large portion of our operation. This technology is known as "bar coding."

Very simply, bar coding is a process of identifying and tracking some 125,000 claim files with which we must deal. The hardware and software which constitute the heart and brains of the system have been purchased and are here. The hardware includes five personal computers and five portable "wands."

These wands are used to scan the bar code identification tab which will be affixed to every claim file as a first step in the process. The computer system will then have a record of where each file is and exactly who is responsible for each file at all times. Except during the time someone is actually working on a specific file, it will be located in a central "staging area," rather than in individual offices.

This system will create the necessity for new procedures for almost everyone who deals with claim files. Policies governing the overall operation of the system are being written and will be implemented in the near future.

A complete procedures manual is in the planning stage. When this manual is completed, some intensive training will be conducted for all who will be directly involved. We expect to have the entire bar coding system up and running before the end of the year.

We must realize, this system, although it should go a long way in increasing efficiency, is not a total panacea to solve all of our problems. With a little time, training and enthusiasm, we can make it work.

MARK YOUR CALENDAR

It seems a bit early, but, initial arrangements have been made for the second annual State Fund Christmas Party. So, mark your calendar, get your dates and make sure you attend. This extravaganza will be held on the second floor of Rose's Cantina on Saturday, December 7, 1991, at 6:00 PM. More information later. See you there!!

LETTERS TO THE EDITOR

THANKS!

We would like to extend a very large ***THANK YOU*** to everyone at State Fund who so generously donated to the fund for the Rex Thompson family in memory of wife and mother Judy. Again thanks much.

Bobbi Holmes
Data Entry Operator III
Admin. & Finance Department

NEXT NEWSLETTER DEADLINE

Our next employee newsletter will be available on December 2nd. Due to holidays and vacations, the deadline for articles is November 15th. Articles are to be given to Harold Gilbertson.

STATE FUND MONTANA

MONTANA GUARDIAN

The State Fund **"Montana Guardian"** is an official employee newsletter published by the State Compensation Mutual Insurance Fund for the purpose to educate and keep State Fund employees informed on the workers' compensation industry, especially the State Fund.

Editor	Jim Murphy, Executive Vice-President
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Technical Editor & Layout	Pietr Zwolle, Management Analyst I

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Letters to the Editor of the Montana Guardian will be accepted from current State Fund employees. Letters to the Editor are to be submitted to Harold Gilbertson by the article deadline date and must include the employee's name, section and department name, and office phone number. Letters without the author's name, section and department name and office phone number will not be published. Letters deemed inappropriate to the goals and objectives of the Montana Guardian or State Fund will be returned to the author with an explanation why it was rejected. Due to space constraints, some letters may appear in a later issue. Letters to the Editor do NOT reflect the policy or official positions of either the Board of Directors or the management of State Fund.

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EMPLOYEE PROFILES

This is the first in a series of articles on the community services activities of State Fund employees. As you gather information about our dedicated co-workers, please let me know, so their volunteer activities can be recognized. HBG

Four of our co-workers are currently involved with Lewis and Clark County Search and Rescue Association. They are Marvin Kraft, Dwight Bernard, Fred Lubke and Barb Johnson.

The Lewis and Clark Search and Rescue Association is a non- profit, completely volunteer organization which, over the years, has proven extremely beneficial to our community. The organization has been in existence for 32 years in this area. There is no charge of any kind to the victims of search and rescue activities.

These people are involved in numerous and varied activities. These include ground searches, water rescue and recovery, mountaineering and a wide range of medical emergencies within the county. They also provide communication coordination at fires and major law enforcement situations.

Dwight has been an active member of search and rescue for over thirteen years. He is currently president of the association and has served as secretary. He also is in charge of training for the mountaineering unit. Along with mountain climbing activities, Dwight is a veteran dive tender with the Water Rescue Unit and participates in all ground searches.

Marvin has put in fifteen years with the organization, six of these as search coordinator. He is an accomplished underwater search and rescue specialist. Marvin is currently on in-active status.

Fred and Barb have been members of search and rescue for about two years. They have both been active in training.

Training for all members of Search and Rescue covers a wide range of search and rescue techniques. These include first aid/first responder and CPR, safety, map and compass reading and directions, communications, annual county wide disaster drills and various specialties within the organization.

Between 200 and 500 hundred hours per year are devoted to actual search and rescue activities. The time involved in travel, miles traveled and associated costs are virtually impossible to determine.

Over the past five years, this well trained, dedicated group has averaged 22 searches per year. Cost savings to Lewis and Clark County are extensive and may run into hundreds of thousands of dollars a year, not to mention the number of lives saved.

These people, our co-workers, deserve a well earned thank you for a job well done. Obviously, the same holds true for the other 35 to 40 members of this hard working group of dedicated people. Thanks!!

AASCIF ANNUAL CONFERENCE

State Fund staff and Board members attended the American Association of State Compensation Insurance Funds (AASCIF) annual conference in Coeur d'Alene, Idaho. The State Fund is a member of AASCIF, which is an international organization comprised of state funds from the United States, Canada and Puerto Rico.

In excess of 200 people attended the conference to exchange ideas and information. The conference, held from August 25th through 29th, was organized by the Idaho State Fund. Guest speakers included Idaho Governor Cecil Andrus, Congressman Pat Williams and William Hager, president of NCCI.

The topics discussed included "The Role of the Federal Government, if any, in Workers' Compensation System," "24-Hour Coverage," "Surveillance as a Tool to Discover Fraud" and "The Future Role of Medicine in the Industrial System." The conference gave our staff and Board members new perspectives on these topics. Learning about and understanding the problems and successes of the other state funds and of the national and the international workers' compensation systems allows us to better cope with the problems in Montana and implement necessary changes to improve our service to policyholders and injured workers.

SAFETY TIPS

Don't let one wrong move change your life. The rest of your life is far too long to suffer through with a "bad" back.

Most back injuries are muscle strains or tears and can usually be treated by following your doctor's orders. Others, however, are far more serious, requiring surgery, braces, traction and all kinds of painful or inconvenient corrective actions. Back injuries, almost without exception, can only be prevented by you and you alone. Awareness and common sense are your best protection.

According to our Loss Prevention Consultants, the following are predominant explanations: well it had to be moved and no one else was around, they have their work to do and I did not want to bother them, I thought I could do it myself or I did not see what I tripped over. Yet, all of these people have suffered painful short term or permanent back injuries. Basically, the question becomes; "to injure" Or "not to injure" your back and do you or do you not take the actions necessary to avoid a back injury?

In most cases, it is relatively easy to avoid back injuries. The following suggestions will help you avoid most such injuries. ***Do not*** overload your back. Test whatever you are about to lift, if it seems to heavy on a trial basis, either get someone to help or find a mechanical device such as a dolly, cart or fork lift.

Always bend your knees and lift with your legs rather than your back. Always keep whatever you are lifting close to your body. When you lock your knees and try to lift away from your body, you are putting 10 times the amount of weight and stress on the vulnerable parts of your back. Imagine lifting a twenty baby from its crib. By locking your knees and lifting away from your body, that beautiful baby now adds over 200 pounds of stress and strain to your back.

Do not lift and twist your back at the same time. Lift the item and then turn your whole body as a unit, this takes the vulnerable part of your back completely out of the move.

Be absolutely sure you have a clear path when carrying any object. Slips and falls have caused innumerable back injuries. If you can not see where you are going, find a different way to handle the situation.

So, avoiding back injuries is really up to ***YOU***. Your back is designed to last a life time and it will, but only if you do not abuse it. Pay attention and be careful.

one-to-one

Late in August the State Fund mailed the first issue of **one-to-one** a newsletter to all of our policyholders. We intend to provide employers with factual, informational and down to earth articles on topics which directly effect them in the operation of their businesses.

We intend to use the newsletter to communicate with our nearly 27,000 policyholders. We began with general articles about the workers' compensation system and the State Fund and will publish more specific topics in subsequent issues. Although not all articles will be relevant to a particular business, we hope they will find some beneficial.

Our publication schedule calls for issues on a semi-annual basis. Future issues of **one-to-one** will carry articles on legal issues, legislative action, rate making, return to work of injured workers, rehabilitation topics and safety/loss prevention efforts.

Each of you, our employees will receive a copy of this new publication.

NEW COMBINED PAYROLL AND PREMIUM

In late September, Policy Services implemented a new payroll reporting system for our insureds. Policyholders are required to calculate and submit premium along with their payroll report at the end of each reporting period (monthly, quarterly, semi-annually). This method replaced billing for premium after we receive the report.

We discontinued sending Statements of Account for a credit balance. Any credit balance will be carried forward to the premium calculation portion of the next report.

We began the "combined" method for the period ending September 30, 1991. We sent the new "Payroll & Premium Report" with detailed instructions to our policyholders in late September.

"Between the great things that we cannot do and the small things we will not do, the danger is that we shall do nothing." Adolf Monod

LAN UPDATE:
TRAINING

NEW STATE FUND COMPUTER TRAINING ROOM COMPLETED AUGUST 27TH

So far 27 employees have received training in the use of PC's and State Fund office automation software (Word for Windows (11 persons) or Excel (16 persons)) in the new training room. Classes will be scheduled on a regular basis now that our computer training room has been completed. The following classes are scheduled for October and November:

Class Title	Duration	Date Offered
State Fund LAN, Windows and Word for Windows	1 day	10/16/91
Microsoft Excel 3.0 Basic	1 day	10/30/91
Microsoft Word for Windows Advanced	1 day	11/13/91
Microsoft Excel 3.0 Advanced	1 day	11/27/91

Classes are primarily offered to employees having access to a PC at the State Fund and employees who are expected to get a PC within a reasonable time-frame. Other classes will be scheduled on request. Please contact Operations to get a sign-up sheet.

The installation of the new PC's on the LAN has progressed slower than anticipated. We are still waiting for ISD to do some testing of the new wiring.

RECYCLING

As of June 30, 1991, the pilot program portion of Recycle Montana was complete. This program has proven to be quite effective and popular among state agencies and workers. A survey done by the Department of Natural Resources and Conservation (DNRC) shows considerable support for recycling throughout state government.

Earlier this year, legislative support for recycling was set forth with passage of the Solid Waste Management Act. This legislative action assigned the task of implementation to the Department of Health and Environmental Sciences (DHES). Meetings are planned between DNRC, DHES and the Governor's Office in an attempt to iron out details to continue the program.

During the pilot phase of this program, nearly 4,000 state workers have collected nearly 91 tons of recyclable paper in day-to-day operations. We at State Fund have collected and recycled 1,500 pounds of paper. Let's all get behind this effort and make it even more successful. In the meantime, keep up the good work.

RETIREMENT TIME REACHED

After eight years with the State Fund, Donna Wallima has retired. Donna's last day was August 23rd. While with State Fund, Donna worked as a General Office Clerk V, Administrative Clerk III, Medical Claims Technician, Claims Examiner Technician II, Program Assistant III and a Medical Only Claims Examiner.

Donna plans to travel and do some sewing. We certainly wish her good luck and enjoyment in these pursuits.

DISABILITY AWARENESS

National Disability Employment Awareness Month in the United States is designated in October as a time to recognize employers and organizations who have consistently and in an outstanding manner provided employment opportunities for people who are disabled. In support of this theme, the State Fund held a "Windmills" awareness class on Tuesday, October 1st.

DATABASE DITTIES

The changes made for Tiered Billing included major changes to the Policy Services side of the database. My personal favorite was the creation of a screen which allows you to look at a list of all the accidents on a given employer.

To reach the Claims by Employer Screen (#2245), you access Policy Inquiry by pressing **PF1** at the Main Menu. Now that you are at the Policy Inquiry Menu, you press **PF1** for General Policy Inquiry. At the General Policy Inquiry Menu you can enter the policy number, press **PF13**, and poof you are there. An alternative method is to enter the policy number on the Policy Inquiry Menu, enter **'2245'** in the **RESP** field and press **ENTER**. This method will take you directly to screen '2245.'

Once there you will see a heading area with information on the employer such as name, status, and the effective dates of the most recent coverage period. In the middle of the screen you will see a list of claims. These are the claims which have been filed by the employer's employees during the employer's most recent coverage period. If there are a bunch of claims you can page down using **PF8**, and page up using **PF7**. For each claim we have listed the claim number, claimant name, accident date, status, class code and part of body.

Perhaps a particular accident about which you are curious does not show up in the list. Where is it? Many employers have multiple coverage periods. Maybe they had coverage in 1988, then changed coverage to another insurer and then returned to State Fund coverage in 1990. On your screen are accidents which occurred in the most recent coverage period. To find accidents from the 1988 coverage period, press **PF10**. You can page through the employer's coverage periods by pressing **PF10** for prior coverage periods and **PF11** for next coverage periods. You can tell the coverage periods are changing by noting the changes in the Coverage Period dates.

While you can't find out everything about either an employer or the employer's claims, it may be a good place to start when you need some information. Claims by Employer - another Database Ditty.

PERSONNEL ACTIONS

FROM JULY 1 ,1991
TO SEPTEMBER 10, 1991

NEW HIRES

Benefits Department

Elaine Olsen	Claims Examiner I
Linda Mowatt	Word Processing Op. II

Underwriting Department

Bill Beck	Loss Prevention Consultant
Becky Thomasson	Admin. Clerk II

LEFT

Denny Espeland	Lorrie Hanson
Karen Simonds	Eddie Gomez
Barb Johnson	Donna Wallima
Amber Theriault	Sheri Pocan

STATE FUND MPEA

State Fund MPEA union members will hold their regular general membership meeting in October. A time and place will be announced.

New officers were elected in early October and copies of the new contract will be distributed to State Fund MPEA members. The results of the election and the proposed bylaw changes will be announced.

Standing committees are also being reappointed. Current standing committees are Training, Executive Chapter, Membership and Negotiations. To be eligible for committee membership, you must be a State Fund MPEA union member in good standing. If you or someone you know is interested in serving on any of the committees, please contact one of the new officers.

If you did not receive a copy of the new contract, please contact one of the chapter's officers.

Outgoing President Kathy Oliver thanks all union members for all their time and efforts spent this past year on making the chapter stronger and more effective.